

**TOPIC: TWO-YEAR CASH FUNDED CAPITAL PROGRAM LIST
AMENDMENT – PIKES PEAK COMMUNITY COLLEGE**

PREPARED BY: ANDREW RAUCH, LEAD FINANCE ANALYST

I. SUMMARY

This submission is for the approval of an amendment to the Two-Year Cash Funded Capital Program list for Pikes Peak Community College (PPCC).

The Aspen Building Student Services Remodel project at PPCC's Centennial Campus was approved by the Colorado Commission on Higher Education (CCHE), but the estimated cost is in excess of the initial estimate \$6,800,000. The new cost is estimated at 10,500,000.

The CCHE must reapprove the project since the new cost is more than 15% of the original cost. The scope of the project, which is to generally renovate the student services building, is the same, but the submission is amended to reflect the higher costs resulting from construction inflation and costs estimates that were not captured accurately in the first estimate. The project is a non-Intercept project, and does not require Program Plan approval. This project was heard as part of the Fiscal Affairs and Audit Standing Committee's meeting on August 20, 2015. PPCC's amended two-year list is included as Attachment A.

II. BACKGROUND

Under state law, C.R.S. 23-1-106(7), the Colorado Commission on Higher Education and the legislative Capital Development Committee must approve two-year capital construction lists and amendments for non-Intercept projects before construction may begin.

Governing boards are authorized to submit lists throughout the fiscal year, and these lists may be submitted at any time to CCHE for approval. If a project is amended or the cost changes by more than 15% of the original total, CCHE must reapprove the submission.

Each December, a comprehensive two-year cash list of all projects is submitted to CCHE for approval, and then forwarded to the CDC for approval in January.

III. STAFF ANALYSIS

The PPCC project is a non-Intercept project, and only requires CCHE approval for the institution's amended Cash Funded Capital Programs list. The project is a modification of the Aspen building to provide a modern space meeting student service needs. The project is \$10,500,000.

Table 1:
Two-Year Cash Funded Capital Program
FY 2013-14 to 2014-15

CF	\$10,500,000
FF	\$0
TF	<i>\$10,500,000</i>

The project is described briefly below:

“Aspen Building Student Services Remodel” – The purpose of the project is to increase student success through creating a physical environment that streamlines student support services at Pikes Peak Community College. The building will house student advising, testing, orientation, and enrollment services. Collaborative learning spaces will be available on the second floor of the building. The goal is to benefit the entire student population at PPCC by improving the student experience.

IV. STAFF RECOMMENDATIONS

Staff recommends that the Commission approve the amendment to the Aspen Building Student Services Remodel project on the Two-Year Cash Funded Capital Program list for Pikes Peak Community College, and submit the re-approved list to the Office of State Planning and Budgeting, and the Capital Development Committee.

STATUTORY AUTHORITY

C.R.S. §23-1-106 (7)

(II) (A) The commission shall submit the two-year projections prepared by each state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.

(B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment

(d) of this subsection (9), a capital construction or capital renewal project for an auxiliary facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed and

operated and maintained solely from cash funds held by the institution is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.

ATTACHMENT A: Two-Year Cash Funded Capital Program List – FLC